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Insurance Commissioner Kreidler Heads To D.C. For Summit On State Of Insurance Industry

OLYMPIA, Wash. – While the insurance industry is capable of paying the estimated \$40-60 billion in expected claims from the September 11 terrorist attacks, it has warned that it cannot support the risk of future attacks. In light of this announcement, Insurance Commissioner Mike Kreidler will travel to Washington, D.C. next week for a special summit sponsored by the National Association of Insurance Commissioners to discuss the current state of the industry and proposals for its future.

“The landscape has changed since September 11,” said Insurance Commissioner Mike Kreidler. “We’re not just talking about the solvency of one individual company. If the industry stops insuring against terrorist attacks, the financial ramifications to the U.S. economy would inevitably stretch across the country hitting us here in Washington state from our maritime services to our already hard hit aerospace industry.”

The federal government is looking at several options including selling terrorism policies directly to customers, through a program similar to the National Flood Insurance Program, and having Congress create a pool that provides reinsurance to insurers if claims reach a certain level.

“We need to carefully weigh all of the possible solutions for handling any future attacks so insurance companies won’t be left bankrupt and businesses unable to get insurance coverage,” said Commissioner Kreidler. “I intend to review all of the options presented to us, keeping in mind that Washington consumers are best protected at the state level.”

Insurance Commissioners will hear first hand accounts of the damage from New York Insurance Commissioner Greg Serio, along with presentations from key congressional members and CEOs from some of the largest insurers and reinsurers in the industry.

The Summit is scheduled for October 22-24 at the Omni Shoreham Hotel in Washington, D.C. The NAIC is the nation’s oldest association of state government officials, consisting of insurance regulators from all 50 states, the District of Columbia and four U.S. territories. For further information on the summit visit www.naic.org